

● PSF: Office of Strategic Services: Donovan Reports, December 18-21, 1941
Folder # 2

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PSF: OFFICE OF STRATEGIC SERVICES

1941

Donovan Report

No. 2.

December 18 to 21

NATIONAL ARCHIVES AND RECORDS SERVICE

FILE LOCATION

RESTRICTION CODES

- GENERAL SERVICES ADMINISTRATION

December 18, 1941
12 M.

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

Attached is the text of the Fulda Pastoral of the German Catholic Bishops. It was issued in July and was referred to in the press at the time but this is the first complete text that could be obtained.

I thought that you might want it as possible source material in future speeches.

WJ Donovan

THE PASTORAL LETTER OF FULDA, 1941

(K).

The pastoral letter of the Bishops' Conference at Fulda in 1941, which was read from all pulpits on July 6th, 1941, and about which the most contradictory information was to be found in the Press, had the following wording: (copy of the letter has only just reached KIPA)

Dear Members of the Dioceses: We, the Bishops of Germany, are conscious of fulfilling a serious duty towards the members of our dioceses with this common declaration, a duty which has been imposed upon us by our holy education. We feel also that we are satisfying an urgent need and expectation of our followers. In agreement with our holy creed, we shall make our position clear towards urgent contemporary problems in order to give you the desired enlightenment and to strengthen you in your faith in God.

I.

Dear Members of the Dioceses: In the most difficult time when the Fatherland is involved in a war of an extent unknown before, and theatres of war, we ask you to fulfil your duty, to be courageous, enduring, and ready for sacrifices in your work and your fight for our people. We send you greetings of grateful love and warmest wishes to your soldiers, your husbands, your sons and brothers in the field, who are performing the most outstanding feats with spirited courage and under great hardships. The war asks effort and sacrifice from all of you. In fulfilling the difficult duties of our time in hard afflictions which come to you as a consequence of the war, the consoling certainty will strengthen you that you are not only serving your country but that you are following at the same time the holy will of God who directs all things, the destiny of the people as well as of the individual with His divine providence. We, too, are confident in Him, the Almighty Eternal God, and ask Him for His protection and blessing for people and Fatherland.

II.

Dear Members of the Dioceses: Not only the war but contemporary events which touch the religious field lead you to ask for a word of enlightenment and encouragement from your Bishops. In answering your call and your

expectation ...

expectation, we are fulfilling our superior pastoral duty. We want you to know that your Bishops are at their posts in these upsetting times; that they stood up for and will continue to stand up for the interests of our holy religion in complete unanimity with all permissible and possible means. Again and again have the Bishops brought their justified claims and complaints before the proper authorities. Be reassured that the Bishops speak as openly as their holy duty as teachers of the creed and as defenders of the rights of the church asks them to do. Through this pastoral declaration the Bishops want to help you to see the real situation of the church in the light of your creed and enable you to judge it. We want to spare you an onerous spiritual conflict which might make it difficult for you to do your duty gladly. We exhort you to strive for a quiet and decided attitude which results from a true belief and strong confidence in God.

The events we speak of are all well known to you and the object of yours and our deepest concern. They are the restrictions and limitations which have been put upon the free preaching of our creed and upon our church life.

Our church is God's visible empire, willed by God on this earth into which man enters through baptism and which must and will lead him in complete independence to a supernatural destination. The church has, therefore, the right and the duty derived from God of religious and moral instruction and education of the youth from childhood onwards and of the free preaching of the Gospel of Christ in the degree which the church itself thinks necessary.

The church has the right to freedom of service and the right to establish a calendar of religious festivals which is regulated according to the religious needs of the faithful.

The church is and will be the guardian of moral laws given by God and it will never abide that which God has forbidden. In this way, the church saves for its people the firm foundation of moral strength and social order. The church has the right and the duty given to it by its divine foundation to practice charity. The credit for fulfilling this task and for having cared for the well-being of the people is particularly due to the religious orders and societies. They have always possessed the love and esteem of the Catholic people in a high degree. In

all ...

all these fields, the church has found great obstacles during the past few years and particularly during the last months. When we are asked to shoulder our share of sacrifices because of the hard necessities of the war, we gladly do so out of love for the whole people. Convents, monasteries and church institutes have been made available for military purposes or for the housing of re-settlers or for the evacuation of children for the duration of the war. Our nuns have gladly taken over the nursing of wounded and sick soldiers. The readiness to fight and the soldierly attitude of our priests who are serving as stretcher-bearers in the field, of our nuns, of our students of theology and our pupils of monasteries who bear arms for the Fatherland, are second to none.

We cannot, however, understand and we are deeply grieved by some of those regulations put into force now which interfere strongly with church life without being necessitated by war emergency. We remind you of the restrictions in the field of religious education and religious publications and of special pastoral work of devote exercises and periods of religious contemplation, of the practising of the pastoral office in hospitals, and of the restriction of the church service and church holidays. We recall with deep sorrow the closing down of monasteries, convents and church institutions during the last months and of their confiscation for non-religious purposes. We have a deep pity for the members of the church orders who have had to leave their homes of retirement. The Catholic people thank them for everything they have done in their pastoral offices or in the field of public charity or in prayer and atonement in the calmness of their peaceful monasteries and convents and they will never fail those who are faithful themselves to their Fatherland and to their church.

It is quite incomprehensible to us and to you that such regulations should be enforced during war time when unity of the people should be preserved and not endangered nor dimmed by offending the religious feeling of an important part of the population.

Dear Members of the Dioceses! The fact cannot be denied that at present, either caused by the emergency or without reason, a very

far reaching restrictions of the practice of our holy religion exists, but that must not discourage us or make us negligent. Every time of hardship is a test and confirmation of our religious faithfulness. Here we wish to point out some duties which are particularly brought upon us by these times.

There are no more religious Sunday papers and bulletins of your dioceses which, up to now, preached the creed and strengthened the moral powers of the family. As long as they are not published you parents must endeavour to replace what you and your children miss in printed religious instructions by regular attendance at church and by supporting the pastoral work in your community. More than ever it is the duty of you parents to concern yourselves about the books which get into the hands of your children and to provide at least a few good books in the home library for the family so that they could be read together.

With deep sorrow we heard the news that the Catholic kindergarten (nursery school) has now been abolished in large districts of the Reich in spite of the protests of the Bishops. They were treated and loved by the Catholic people as a supplement of religious education. The Catholic Schools have already been taken from us. Religious teaching in the schools has been cut down or completely dropped. For you parents have the strict commandment to become the religious teacher of your children. Our priests will gladly give you directions to fulfil this first and finest duty of a parent. It is up to you to follow their proposals conscientiously. The more difficult it becomes to attend a service in church regularly, the more the house of every Christian family becomes a small house of God. In the sanctity of the Christian family, it must become a sacred custom for everyone to gather as often as possible before the crucifix in order to offer a common prayer and to think of the anxieties of the church and of the people and of the ecclesiastical and worldly authorities. Pray also for your beloved dead, for the sick; pray for husbands, fathers and sons who are fighting in the midst of war. The creed and the virtue of your children must be the object of your fervent prayers - particularly so if the circumstances have brought about a local separation from your children and if they cannot have religious service and religious care. If they are far away, you must not only remind them in your letters of their duty towards God but your prayers for them must be like the holy angels of God and give them guidance.

Dear Members of the Dioceses: We Bishops

meeting ...

meeting at the tomb of Saint Boniface whose life work it was to bring the German people to our Master and Saviour, Jesus Christ, and who died the glorious death of a martyr in fulfilling this task, feel an even greater sorrow about the existence of powers working to dissolve the blessed union between Christ and the German people than we do about the incidents mentioned above. The existence of Christianity in Germany is at stake. Quite lately a book has been distributed in Germany in hundreds of thousands of copies which contains the assertion that we Germans had to choose between Christ and the German people.

Dear Members of the Dioceses: With burning indignation we German Catholics refuse to make such a choice. We love our German people and we serve them, if necessary, with our lives, but at the same time we live and die for Jesus Christ and want to be united with Christ in time and eternity. We are convinced that we serve our beloved German people best when we preserve Christ and His Gospel for them. It would mean a terrible impoverishment of our people if we relinquished those Christian principles which for more than a thousand years have been the foundation of its spiritual and moral culture. Out of the Christian creed grew for our people that noble conception of human personality which asks the individual to fit himself into the order of the human community ready for sacrifices, but which on the other hand preserves for every individual his God-given rights and duties. God willed that they should be respected by all living creatures. If we care for the preservation of Christianity in our people, then we must fight and stand up for the personality and dignity of the German man.

Before all things we hold firm to Jesus Christ because he is "the son of God who came into this world that we might have life and that we might have it more abundantly" (John 10-10); "because there is no other name given to man under Heaven by which he can be blessed" (Apg. 4, 7 and 12). At the request to leave Christ we answer like Saint Peter, "Master to whom shall we go? Thou hast the words of eternal life. And we believe and are sure that Thou art that Christ, the son of the living God." (John 6-69).

As we are faithful to Christ nothing can separate us from His holy church which He has founded on the rock foundation of the pontificate. With a representative of Christ on earth, our holy Father, we are united in filial love.

We ...

We shall obediently follow our church, the teacher of the truth, guardian of Christian customs even if the following of the commandments, which the church proclaimed in the name of God, asks sacrifices from us. Of course, there are commandments in the Catholic code of morals which are not binding if their following is connected with too great difficulties, but there are holy duties of the conscience from which no one can be freed and which we have to fulfil even if it costs us our life. Under no circumstances is man allowed to blaspheme his God. He shall never hate his brother. He shall not kill the innocent outside of war and outside of justified self-defence. He shall not commit adultery and never lie. He shall not denounce his religion or be enticed by threats or promises to leave the church. We remind Catholics, who think they should leave the church for earthly and human reasons, of the impressive words of Pope Pius XI: "Here the point is reached where it means the last and highest salvation or destruction, and, therefore, heroic courage is the only way to salvation. If the tempter raises his head with a Judas request for you to leave the church then he can receive only one answer even if it means great earthly sacrifices. The answer is found in the words of our Saviour: "Get thee behind me Satan" because it is written "you shall pray to God and serve Him alone," but to the church he will speak, "You, my mother from the days of my childhood, my consolation in life, my intercessor when I am dying, my tongue shall cleave to the roof of my mouth if, falling under earthly temptation or threats, I become a traitor to my baptismal vows. But those who think they can combine the external desertion of the church with the internal adherence to the church might take as a serious warning the Saviour's words: "He who denies Me before man, I shall deny before My Father who is in Heaven."

Dear Members of the Dioceses: Certainly in these times there are some who are shaken by these religious struggles or who have left Christ and the church completely. This is a deep sorrow to us. We can, however, say with great joy like Saint John: "I have no greater joy than to hear that my children walk in the truth" (3 John 4). Many, very many, walk in the truth and stand firm in faithfulness to Christ and his church under all tribulations and fulfil their religious duties even with great sacrifice. We all, bishops, priests and faithfuls will unite anew on the rock foundation of our holy church beneath the Cross of our Saviour. In love and confidence we shall continue to strengthen ourselves and to sustain ourselves through prayer, instruction and example. When this time of earthly tribulation has passed, upon entrance into Eternity, we shall learn from the mouth of Our Saviour his judgment: "Who-soever, therefore, shall confess Me before men, him will I confess also before my Father which is in Heaven." (Matt. 10-32)

December 18, 1941
Eight-thirty A. M.

Memorandum for the President:

The following is a summary of home public opinion as of December 15, by the British Ministry of Information cabled by Whitney:

1. Japan. Relief that things have come to a head. At last we know where we are.
2. United States General. "At last in with us." Great relief. Expect increased development of America's war potentialities. These are the dominant views, but several regions report "underlying irritation" that America should only do "for selfish reasons what she would not do to cooperate in fighting for democracy." A certain "malicious delight" in comments such as "America will now have

a taste of war and about time too". Strong hope from several regions that America will bomb Tokyo. Should "Give the Japs a taste of what they gave the Chinese women and children."

3. United States Supply. Some anticipate increased volume of lend lease because United States on war footing, but majority fear decrease because United States will need for own use. Some fear of decrease of supply lines due to withdrawal of convoy support. Many, particularly working class women, fear cutting off food supplies.

4. Russia. Timonshenko's thrust has created new "thrill of hope." Rostov considered Hitler's "first real defeat on land." Constantly "greater evidence of complete solidarity with Russia." But still some suspicion that "persons in high positions

are not one hundred percent in favor of helping Russians."

5. Libya. Prevailing attitude is disappointment. But Eighth Army regarded as young, vigorous, well-commanded (this was to December eighth). Optimistic statements of Cairo military spokesmen again caused howl of annoyance.

6. Finland, Hungary, Roumania. War declarations accepted as inevitable.

7. Labor conscription. Generally well received. "At last we are getting down to it." But some regions report that minority labor amendment for nationalisation of central industries finds much more general support than final vote in House of Commons would indicate, and this is not confined to labor party of working class.

also widespread criticism of exemption for service mens' wives, it being felt that they are even more available for industry than working mens' wives.

8. Industry. Reports of slackness becoming alarming during debate on conscription. "What is use of bringing in more people to join us in standing easy." Appeals for increased production are becoming outstandingly unpopular.

9. Women workers. Emphasis on three needs: Part time work, nurseries, and shopping facilities:

10. Food. Consumers find points scheme of rationing satisfactory, but small traders dislike it. Salmon, sardines, and tongue snapped up ahead of American canned meat, but those who have over-come reluctance to try new-fangled foods seem to find

Spam, etc. highly palatable.

11. Chief shortages. Cigarettes and tobacco lighters and flints, chocolate and confectionery, wines and spirits, boots and shoes, particularly childrens', paraffin, radio batteries and tubes, kitchen equipment and cheap crockery, fresh fish and eggs.

December 18, 1941
8:30 A.M.

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

Before General Magruder left for China, I suggested that we should give him an officer who could be attached to the mission for the activities connected with our agency. At that time I thought that we might be able to help him, not only in the gathering of information, but also on broadcasting. He said it was unnecessary.

Now, we have just received word from the War Department asking for our help because, as General Magruder says: "China is being deluged with all kinds of propaganda by the Japanese through the different radio stations that have been taken over;" and this news is published in all the local newspapers

and press, with the resulting affect on the Chinese.

General Magruder has now asked us to see if we can give him some aid.

I am taking this matter up at once and we hope we may be able to make use of some people who are already there. As you know, we have a man there now who is carrying on certain of our work in China, and has in his possession microfilm equipment. We are entering into discussion with the Army and Navy, and I will keep you advised.

December 18, 1941
8:30 A.M.

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

Yesterday, there came to see me Mr. Jan Stanczyk, the American Minister of Labor and Public Welfare, of Poland. With him was Mr. Leo Krzycki, American-born citizen of Polish origin, and a member of the Amalgamated Clothing Workers Union of America. I think that he is identified with Sidney Hillman.

Mr. Stanczyk was reporting on his experience in Poland and in France, and told us of the sabotage work carried out in the factories in both these countries and the aid given by saboteurs in the course of the fighting by destroying bridges, stations, and power plants.

He then told us of the counter-action for sabotage which they had set up in the factories and the warehouses, and in manufacturing concerns. He has been talking with

members of his own race in this country, and lining them up to aid in seeking out saboteurs by organizing committees among these Polish workmen. He thinks that the American workmen of Polish, Czechoslovakian, and Yugoslavian descent have the most trustworthy elements to work with because of their hatred of Hitler. It is the Minister's idea that the labor organizations in the country should organize labor committees in the various industries to deal with this question. These committees could then collaborate with the F.B.I.

The Minister feels that this organization is particularly important now because the members of the sabotage organizations are chiefly German and are especially strong in airplane factories, port warehouses, and on ships. Stanczyk is going to discuss this matter with Messrs. Kennedy, Green, and Philip Murray.

It may well be that you might want to urge the

labor organizations to carry on this committee
organization work more affirmatively than they are
doing now.

December 18, 1941
Eight Thirty A.M.

Memorandum for the President:

The following is a recent report on the activities of one Pucheu, who has been more prominent in Vichy affairs recently:

We had received information early in November that Pucheu was carrying on an intrigue designed to undermine Darlan's position. Later in November it was learned that Pucheu and Marion were active in setting up new organizations in Vichy, including an information service and a corps of shock troops, directly under the Ministry of the Interior. More recently we are informed

that:

1), Weygand's dismissal was not desired by Petain, but was maneuvered by Pucheu, with Darlan's complicity, in close collobaration with the Germans, the plan being to face Petain with a "fait accompli".

2) German pressure was applied by ordering the Army of occupation to "stand-to".

3) The struggle between Darlan and Pucheu is very bitter.

4) Pucheu is "Germany's man" even more than Darlan. He is preparing with Marion and Benoist-Mechin, a big police organization, by means of which he hopes to gain control of unoccupied France.

COORDINATOR OF INFORMATION
WASHINGTON, D. C.

December 18, 1941
8:30 a.m.

The President

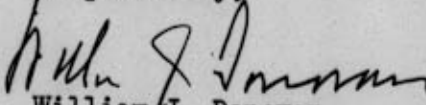
The White House

Washington, D. C.

My dear Mr. President:

The attached is taken from a report
from a very reliable source of ours in Brazil,
giving general impressions of the present
situation there.

Respectfully,


William J. Donovan

The Lati line continues to be a leak in the blockade with political as well as economic implications. Rare metals and strategic items are being flown to Brazil from Chile, marked "silver" and are shipped from Brazil to Europe via Lati. The Brazilian authorities with whom the matter has been discussed take the position that they cannot interfere with transshipments from a friendly country or go behind the description of contents contained in the official shipping documents.

There was considerable comment in Brazilian official circles shortly before I left, about the coolness with which Aranha's pro-democratic speeches had been received in Chile. This comment was enlarged upon by anti-American elements to support their contention that Brazil should not identify itself with the United States.

On October 19 there was a reunion of former

Integralista leaders in the office of Dr. J. Loureiro in Rio de Janeiro. Dr. Loureiro is the son-in-law of Plinio Salgado, former Integralista chief, now in exile in Portugal. Several City administrators attended. The main discussion concerned the reorganization of Integralista "combat units" in order to determine which members of the former Integralistas could be relied upon for action once more in the future. A police "delegado" has said that the most reliable among the Integralista leaders in the interior of Brazil have been instructed cautiously to reorganize their units and verify their strength.

At this meeting there was read a letter and manifesto from Dr. Salgado. The gist of the letter and manifesto were that the Integralistas should lend their support to the present regime in Brazil. While admitting that the government had in the past fought and oppressed the Integralista

movement, Dr. Salgado contended that the present policy of the Brazilian government was in harmony with Integralista ideals, and was in many respects pursuing the Integralista program. Dr. Salgado urged the members not to be swerved from this main issue by opposition elements of the Integralista party. This was presumably a reference to Dr. Belmire Valverde and his followers, who have refused to cooperate with Vargas because of the police repression of their activities and members. The manifesto of Dr. Salgado called for the submersion of personal issues in the major task of strengthening the Estado Novo, which, he said, was most important at precisely this time when Europe is being reshaped into a "new order" because it is most necessary that Brazil be in position to participate in the benefits of that order. The manifesto praised several parts of Brazil's new constitution which, it said, put Brazil in better case to defend

its sovereignty against threats stemming from abroad.
spent considerable time in Sao Paulo and established

(Contextual implication -- the USA) The general tone
contact there with former members of the Integralista

of the manifesto and letter was sympathetic to the
party. Also active in Sao Paulo during the month was

Hitler concept of European and world reorganization.
an unnamed representative of the Rio police chief.

The peroration of Dr. Salgado's communications
Felinto Muller (an outspoken pro-Nazi), whose function
appealed to the members of the Integralista party to
make new efforts and sacrifices in the reorganization
of their activities which the present moment made neces-
sary, to accept loyally the leaders whom he was appointing,
and to manifest a spirit of unity and cooperation in
Integralista ranks which was demanded at the present
time when Europe was being reorganized.

The police were aware of this meeting, though it
is not clearly established whether they had advance notice
or learned of it immediately after it had taken place.

During the month of November, Raimundo Padhila

spent considerable time in Sao Paulo and established contact there with former members of the Integralista party. Also active in Sao Paulo during the month was an unnamed representative of the Rio police chief, Felinto Muller (an outspoken pro-Nazi), whose function seemed to be to establish social contacts (night clubs, parties, etc.) with as many military officers in the region as possible for the purpose of determining their political views.

These renewed Integralista activities coincide, at least in time, with the arrival in Brazil, specifically in Sao Paulo, of a German officer, recently on the Russian front, who has already visited Chile and Argentina. He is traveling on a diplomatic passport under the name of Albach.

The army commander at Natal, who is known to be pro-Nazi, in a recent address, cautioned his troops to be on

the alert and to "look upon our flag -- our forces will never permit any other to wave higher than ours." At the last year or eighteen months a considerable decline about the same time, the Ministry of War issued a circular in overt German propaganda activity. The publication of to unit commanders warning against the infiltration of the two-volume report of the police investigation of Nazi Communist and Liberal elements in their ranks. In a activities in the southern states of Brazil, the internal manifesto issued to the army on November 27, the anniversary of the 1935 uprising in Rio, the Minister of War, Eurico Dutra, also generally accepted as a Nazi sympathizer, used the phrase Deus, Patria, Familia -- word for word the Integralista slogan.

In Sao Paulo, Nazi groups meet regularly at the German Hospital with the active participation of Herbert Sachs, Trans-German activity represents to Brazilian national integrity and ocean director.

It is naturally difficult to obtain a clear-cut understanding of the political situation in Brazil with respect to its orientation vis-a-vis the United States and Germany.

It seems a well-established fact that there has been in
the last year or eighteen months a considerable decline
in overt German propaganda activity. The publication of
the two-volume report of the police investigation of Nazi
activities in the southern states of Brazil, the intensi-
fication of nationalistic propaganda and activity on the
part of the Brazilian government, the prohibition of foreign
language schools and newspapers, the recent pro-Pan-American
speeches of Brazilian officials, including some who had until
recently been identified with the Axis cause, all point toward
a recognition by the Brazilian government of the threat which
German activity represents to Brazilian national integrity and
account for the marked diminution in German activities. Never-
theless there are many indications which suggest that it is
much too sanguine to assume, as there is a tendency to do in
some foreign circles in Brazil, that: (a) the Brazilian

government has the internal situation well in hand and that German activity is no longer a real threat; (b) the Brazilian government is now committed to sympathy with and ultimate assistance to the American cause. I found few if any

Despite the recent public pronouncements in favor of inter-American cooperation made by eminent governmental officials in Brazil, the prevailing atmosphere is one which prevents them from being taken at their face value in Brazilian circles. Critics and opponents of the Vargas regime interpret them as part of a considered scheme to lull American suspicions and relieve American pressure for more practical evidences of cooperation. Persons more friendly to the regime explain the inconsistency between these public statements and the continuance in office of such men as Eurico Dutra, Felinto Muller, Ernani Reis and Goies Montero by saying that these men are being kept on as insurance just in case Germany

should win the war. The explanation is also offered that Vargas is under personal obligations to this group and that he is not yet powerful enough to dispense with their support or to risk their enmity. But I found few if any informed persons who believed that the present Brazilian Government was sincerely committed to a pro-American program.

COORDINATOR OF INFORMATION
WASHINGTON, D. C.

December 18, 1941

The President

The White House

Washington, D. C.

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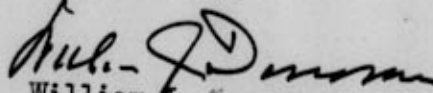
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My dear Mr. President:

The attached is the text of a letter written August 25, 1941, by Henry Helfant, former Rumanian Commercial Attache at Madrid, from Santiago, Chile, which was circulated to all members of the Rumanian Government. The letter was an offer to conduct a Rumanian propaganda drive in South America.

Respectfully,


William J. Donovan

Lands. During the five months I have been here, I have got into contact with my friends in the countries of the Pacific Zone and in the Greater Antilles; I have got into touch with various learned societies of which I have been a member for many years, and I have renewed my relations with newspapers and reviews to which I was for years a permanent contributor.

The information I have gained as far as Rumania is concerned is deplorable and I consider it my duty to call attention to the fact.

In this zone we are almost entirely unknown. We are the only European country that does nothing to spread the knowledge of its problems and historical rights in the fifteen countries of the two zones I have mentioned. We have left untouched the press, public opinion, the ruling and administrative circles of those

lands. Other countries do all they can to gain friends and establish relations which will be to their advantage later on.

I am troubled by the thought that we have risked everything on a single card; when events are looked at from here, it is obvious that Germany cannot win this war.

The fifteen countries, to which I referred above, are: Pacific Zone: Chile, Bolivia, Peru, Ecuador, Colombia, Panama, Costa Rica, El Salvador, Nicaragua, Honduras, Guatemala, Mexico. Antilles: Cuba, Haiti, San Domingo.

In all these countries there are interesting people who should be cultivated and might at some time be useful to us. For instance, here in Chile, I have made the acquaintance of the famous internationalist, Alejandro Alvarez, with whom I am on the very best terms.

If I were in such a financial position as to move about in these zones, I could gather many friends for the Rumanian cause. I could lecture in Spanish on Rumania's historical rights; the columns of many of the most important of the newspapers and reviews are open to me as an old contributor, etc.

I suggest the following plan of action:

On the pretext of studying the possibilities of Rumanian emigration to these zones (v. my report No. 9488 of 6/12/40 to the Ministry of National Economy and my note of 6/8/41), I could visit these countries and carry out an intensive programme of propaganda on the lines of the vital and permanent interests of Rumania, reunion of the country with the provinces that have been snatched from her.

My past career and my work are known to my former chiefs and will guarantee that I am capable of creating an

atmosphere favorable to our country, and that the problems and rights of Rumania will be explained as clearly as possible to the greater public.

My activity will also counteract the opposed propaganda which is actually very busily at work in all these countries.

December 18, 1941
6 P.M.

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

Attached is a memorandum on Banque Worms.

I have been informed that the Treasury is investigating their connections in this country.

I. COMPOSITION OF THE BANQUE WORMS

THE BANQUE WORMS

SUMMARY

The Banque Worms takes its name from its parent organization, Worms & Co., an old established banking house which long before the war had considerable French financiers and industrialists who have organized themselves into a political pressure group for the maintenance and extension of their economic power in the New Order. The group operates not as a party, but by insinuating its members into the most important political positions in Vichy France.

The political aims of the Banque Worms group are:

1. To prevent Marshal Petain from introducing paternalistic social reforms;
2. To advocate maximum political and economic collaboration with Germany;
3. To facilitate a negotiated peace between the Axis and the Allies, should the opportunity present itself.

the Banque Worms in Dutch oil enterprises.

I. COMPOSITION OF THE BANQUE WORMS

The Banque Worms group takes its name from its parent organization, Worms & Cie., an old established banking house which long before the war had considerable political influence through its financial, armament, shipbuilding, aviation, and coal-importing interests. It has had extensive connections with American and English big business groups. Hyppolite Worms, nominal head of the House, represented France at London during the war on a Franco-British Committee for Economic Coordination.

Through its heavy industry interests Worms & Cie. also has long standing German connections.

The leading personalities in the group and their financial connections are as follows:

Jacques Barnaud - Director of Air France, Director of the Lyon Water and Light Company, and representative of the Banque Worms in Dutch oil enterprises.

and was H. Worms - Former Director of the Société Française de Dragages et de Travaux Publics, and in 1928 Representative of Worms & Cie. in the formation of the Anglo and foreign industrial corporation, in which Lazard Frères, the Morgan Bank, and Krueger and Toll participated.

M. Gillet - Of the noted Lyon silk family.

M. Peverimhoff - Leading French coal magnate.

Gabriel LeRoy-Ladurie - Director of the Banque.

Personal friend of the Comte de Paris. Jacques, his brother, wields great influence as head of the National Confederation of Agriculture.

Paul Baudouin - Director of the Banque d'Indo-Chine, member of the Administrative Board of Air France, Crédit foncier de l'Ouest Africain, the Société des Salines de Djibouti, de Sfax et de Madagascar, and many other colonial enterprises. These holdings make him a particularly bitter opponent of the Anglo-Saxon plutocracies. Baudouin was Secretary of the Comité de Guerre in Reynaud's Government

and was appointed Minister of Foreign Affairs by Petain after the Armistice.

François Lehideux - Brother-in-law of Louis Renault, the great automotive manufacturer whose factories are now working full blast for the German War Machine.

Pierre Pucheu - Former Secretary of the Cartel Sidérurgique (steel trust) and Director of Japy Steel.

II. POLITICAL POWER:

The Banque Worms neither constitutes nor controls a political party. It calls itself, in its political aspect, the Mouvement Synarchique, but remains an amorphous small clique. It exerts control not through wide political agitation but through pressure on persons in high places.

The group has succeeded in placing its men in the following positions:

Paul Baudouin	-	Minister of Foreign Affairs
Pierre Pucheu	-	Minister of the Interior
René Belin	-	Minister of Labor
Jean Berthelot	-	Minister of Communications

Jean Bichelonne	-	Secretary General for Industrial and Domestic Commerce
Henri Lafond	-	Secretary General for Electric Power
Jacques Barnaud	-	Secretary of State for Franco-German Economic Relations

The group thus controls all the truly strategic positions in the Vichy cabinet.

Pierre Pucheu in particular has made the most of the vital post which he commands. He has revamped the entire prefecture and police system of France and has thus built up a personal following of well-entrenched office holders.

III. POLITICAL OBJECTIVES:

a. Domestic Policy

While temporarily supporting Petain, the Mouvement Synarchique outspokenly opposes all aspects of the Marshal's program which smack of social reform. It stands for an intransigent anti-labor policy.

b. Foreign Policy

The fundamental assumption of the Banque Worms in the formation of its foreign policy is the firm belief in a Nazi victory. The aim of the group in the foreign sphere, therefore, is to achieve complete economic collaboration with Germany. Its members patently expect to preserve their economic position by acting as Hitler's faithful apostles of the New Economic Order in France.

At the same time there are indications that the Banque Worms hopes to restore economic relations with the United States. The earlier economic connections with this country would render such an aim understandable. P. E. Flandin, who is apparently the Banque Worms front man for relations with the United States, has had talks with American diplomats in Africa, and has urged upon them the advantages to the United States of a negotiated peace.

Thus, while the Banque Worms is essentially anti-British in its orientation, it would be only too delighted to facilitate the restoration of amicable relations between the United States and the New Europe.

December 18, 1941
6 P.M.

Memorandum for the President:

This is only to tell you that following the cable from Chungking we are arranging to aid the Magruder Mission of Propaganda from Chungking.

The War Department is endeavoring to fly some of our men out there in a bomber. In addition, in response to the request of the Navy, we are arranging to get men put in to Honolulu and Manila. It is solely a question of transportation..

The only present American station that has been able to maintain programs is KGEI, for the

December 18, 1944
6 P.M.

maintenance of which we obtained approval from
you on priorities in order to convert it into
a 100 KW station.

The flood of Japanese propaganda has made
the armed services realize that we must also
wage a war of ideas and a war of facts. We
have to have a weapon of prestige.

Signal gear was being developed for this broadcast.
If every room were equipped with such a receiver,
it would be possible to give instructions over the radio
loud speakers from some central control point. For
example: If you were to press a button at your desk,
that signal of yours could reach every receiver equipped
with this device. It is not difficult to conceive the
military uses to which it can be put.

December 18, 1941
6 P.M.

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

There was demonstrated to us today what was called an "Alert Receiver." The specific principle of the apparatus is that a device can be attached to a radio broadcasting station which will superimpose upon the radio program a controlling signal (which will operate a bell or a light) on specially designed receivers. This signal does not interrupt the radio broadcast.

If every home were equipped with such a receiver, it would be possible to give instructions over the radio loud speakers from some central control point. For example: If you were to press a button at your desk, that signal of yours could reach every receiver equipped with this device. It is not difficult to conceive the military uses to which it can be put.

If, one day, you would like to have a demonstration,
we can have it arranged for you.

COORDINATOR OF INFORMATION
WASHINGTON, D. C.

December 19, 1941
8:30 a.m.

The President

The White House

Washington, D. C.

My dear Mr. President:

The attached is a memorandum prepared
by our Far Eastern Section, which deals
with the Burmese situation.

Respectfully,

Bill
William J. Donovan

Att.

BURMESE AND THE WAR

The question is: what do ten million Burmese feel about the British, the Indian, the Chinese and the Japanese peoples, and how effectively can they make themselves felt if they take sides in the war. The evidence is that the Burmese are anti-British, anti-Indian, and anti-Chinese, and might be opportunistically pro-Japanese if promised national autonomy. And they could be effective allies of the Japanese as the effectiveness of their 1930-31 revolution proved.

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- I. Burmese Nationalism and Its Attitudes.
- II. Attitude Toward the Indians.
- III. Attitude Toward the Chinese.
- IV. Attitude Toward the British.
- V. Attitude Toward the Japanese.

VI. How Effective Could the Burmese Be?

VII. Sources.

Burmese Nationalism and its Attitudes

The question as to the part the Burmese may play in the present Far Eastern situation is raised by the fact that the Japanese are driving through Thailand into Burma. It is desirable to know whether the Burmese will cooperate with the British or the Japanese. The question is sharpened by the fact that China's resistance to Japan largely depends on the free passage of war materials through Burma to the Burma Road. It is desirable to know whether the Burmese are interested in helping or hindering the passage of materials -- and this again is part of the larger question.

Burmese nationalism is young and energetic. Its first really violent expression was in December 1930 when an outbreak occurred in the Tharrawaddy district about 75 miles

north of Rangoon. The people were registering their unwillingness to pay the capitation tax which they had been protesting for years. But the tax issue was only the occasion of a larger issue. According to the Secretary of State for India, who spoke before Parliament in June 1931, the movement was organized to overthrow the government (Report on the Rebellion in Burma up to May 3, 1931, (London, 1931) pp. 1-19.) Spurred on by the depression, Burmese nationalism tended to assume racial attitudes toward the British, Indians, and others.

Attitude Toward the Indians

As long as the Burmese found it easy to make a living they tolerated Indian laborers, who had a lower standard of living, and Indian merchants, who were engaged in occupations generally not sought by Burmese. When the depression of 1929 and 1930 forced them to compete with Indian laborers

and Indian merchants, they found themselves in an impossible situation. Their higher standard of living militated against successful competition with the laborers while their lack of business acumen made them inferior to Indian business men. As a consequence, the Burmese developed a substantial hatred for the Indians and attempted by various means to discourage Indian immigration. Their first method was by rioting in 1930 when several thousand Indians were killed or injured. This led to consideration of the Burmese problem by Parliament and the drawing up of a Constitution which became effective in April 1937. The Burmese were now in a position to deal legally and effectively, so they thought, with the Indian labor problem.

Attitude Toward the Chinese

Hardly had the Burmese begun to take steps to limit Indian immigration than the opening of the Burma Road led

Attitude Toward the British

to the development of a Chinese problem. The Chinese held the lion's share of the rice-milling and timber trades, and they shared profits with the Indians in retail trade. Most of them lived in Rangoon. As waves of Chinese came out of war-torn China along the Burma Road, the Burmese began to fear them as an economic threat. Most of them drifted to Rangoon, strengthening the Chinese community there. How the Burmese felt about the Chinese was shown by their boycotting of collectors for China relief funds. The Burmese even began to sympathize with the Japanese, not because they loved the Japanese, but because they felt that the Japanese might possibly help solve their Chinese problem. The Burmese would like to close out the Chinese, and to them that means the closing of the Burma Road.

Attitude Toward the British

The Burmese feel that British democracy has not been extended to include the Burmese. When discussion of a constitution for Burma arose, the British attitude was that the Burmese should receive a less favorable constitution than the Indians because they considered them unable to govern themselves. The Burmese were profoundly resentful of this attitude and all the more determined to gain a clear title to self-government.

The ordinary affairs of life have been generally conducted, in Burma, in such a way as to uphold British prestige and to put the Burmese in their places. In motor traffic, the Englishman has taken it for granted that he could run through red lights and damage Burmese persons and property and escape with no official hurt beyond a fine and a reprimand. But a Burmese involved in a similar situation is regarded as a criminal and severely dealt with. Or in so

slight a matter as driving along a highway which was dusty, the Englishman is deeply angered if he is unable to drive past the Burmese driver ahead and escape his cloud of dust, but thinks nothing of deliberately driving slowly and blocking the road to force Burmese drivers to keep to the rear in his dust.

An English magistrate gave it as his opinion that: "We had done two things there, which we ought not to have done. In spite of declarations to the contrary, we had placed English interests first, and we had treated the Burmans not as fellow creatures, but as inferior beings."

There is no point in piling up examples, but a casual reading of Burmese-English relations leaves one with the conviction that the Burmese deeply resent the contemptuous treatment the British have given them. Even in so slight a matter as that of club-life, not even the Burmese Governor,

Sir Joseph Maung Gyi, would dare attempt to enter those sacred portals.

The rebellion of 1930-1931 had but one motive and one object -- hatred of the British Government and intention to destroy it. So the Government itself said. Although the British have vaguely promised the Burmese to consider giving them dominion status after the war, the Burmese realize that the time to get concessions is when the British need their cooperation -- and that is now.

Attitude Toward the Japanese

In commenting on a speech made by Sir Archibald Cochrane, former Governor of Burma, ("Burma in War Time", Asiatic Review, October 1941, p. 694) Mr. F. Burton Leach said:

"The Japanese were newer arrivals and had not made a place in the country to the same extent, (as the Chinese). It was quite natural that Burma should admire the qualities which

the Japanese displayed, and when politics became a matter of interest in Burma, many of them looked towards Japan for inspiration." He went on to say: "Did they (the Burmese) realize that, if they did not throw in their lot wholeheartedly with the British Commonwealth, they would find it extremely difficult to stand alone.....that the Japanese had good grounds for looking upon Burma as a useful acquisition." He implied that many Burmese were dangerously pro-Japanese. But probably nothing further can be said on this theme than that the Burmese are interested in any tool or agency which might help them to achieve the national freedom they covet.

How Effective Could the Burmese Be?

The Burmese Premier, U Saw, on his recent visit to the United States, gave his interviewers, W. Norman Brown and Conyers Read, the impression that not only were the Burmese

exceedingly dissatisfied with the treatment that the British were giving their demands for political autonomy, but they might resort to action of some sort; perhaps by failing to cooperate with British defense measures, perhaps by sabotaging the Burma Road. Naturally, the Premier gave no indication of any specific action, but he implied that the Burmese were capable of action of some sort.

The opinion of Edgar Ansel Mowrer, reporter for the Chicago Daily News, recently returned from a tour of the Far East, likewise is that the Burmese are both dissatisfied with the British and capable of some sort of strong action against them.

A more conservative estimate of the abilities of the Burmese, which reflects official British opinion, is that the Burmese are unable to obstruct Burma Road traffic or to interfere seriously with Empire defense in Burma. This opinion

was confirmed by correspondence with Professor John L. Christian of the University of Washington, author of The Modern Burma which is to be published in January 1942, by the Institute of Pacific Relations. Mr. Christian says that he doubted very much whether there could be a Burma revolt, or effective sabotage of the Burma Road. He feels that the Burmese, in general, were not that ambitious.

However, it needs to be remembered that, in their rebellions of 1930 and 1931, they showed their ability to freeze up internal commerce and trade. The British had to put considerable forces, about four brigades, in the field before the Burmese were quieted. The rough terrain and heavy jungle areas of Burma make it possible for poorly armed men to carry on guerrilla warfare with a minimum of personal danger. *is. Trials in Burma (Faber & Faber, 1938)*

But this is speaking of the effectiveness of the

civilian population of Burma and not the armed troops. Burmese troops exist to the extent of about 15,000. The question may be asked as to whether Burmese troops in British employ would fight against the British. The British are confident they would not, even in the event of a Burmese revolt. Their officers are largely British. And they are regarded by the civilian Burmese as somewhat apart from the rest of the Burmese people. They are identified in Burmese minds with the British. This is true of the police as well as of the soldiers. There is always the possibility of their joining a popular Burmese movement, but no evidence that they would do so.

Sources

In addition to those mentioned above:

Maurice Collis, Trials in Burma (Faber & Faber, 1938)

Asiatic Review, especially July and October, 1941

Memorandum recording interview with U Saw (prepared
in the British Empire Section of COI)

Statement of the Impressions of Japanese Desires,
Capacity and Intentions Obtained by Edgar Ansel Mowrer
during a recent trip in Southeastern Asia.

December 19, 1941
8:30 A. M.

civilian positions and moneys which go with them.

Memorandum for the President:

of Paris. Admiral Barrois has been placed at the

The following is a report from a French Navy

head of the French Line. Admiral de Laborde is
captain, Yves Boju. As Captain he made several

trips to Algiers, Casablanca and Dakar. His

orders were that whenever he met British ships to

report to the French Admiralty their number, class

and position, and to act as a collecting agency for

the Germans. He says that it is an illusion that

the free zone controls its own Merchant Marine,

and that there is a German and Italian commission

at Marseille charged with inspecting and checking

every ship entering or leaving that Port. He

pointed out how the admirals who had fallen in

line with Darlan's policies received high

civilian positions and moneys which go with them.

Admiral Bard has been named Prefect of Police of Paris. Admiral Barrois has been placed at the head of the French Line. Admiral de Laborde is Governor of Dakar. Admiral Robert is Governor of the Antilles. All these posts were previously held by civilians. As a further reward for their compliance, naval officers are granted furloughs of twenty-three days, which they usually spend in Paris. But they do not dare to wear their naval uniforms in that city so great is the popular hatred of what they represent.

"In Africa, there is a real feud between the Army and Navy," said one, "The army, at least under Weygand, was pro-French and executed only offenders

against French interest. But the navy has carried out drastic measures against anyone suspected of De Gaullist sympathies."

December 19, 1941
8:30 A.M.

Station WJMO in Schenectady.

Memorandum for the President:

1. Four times weekly in Turkish.

(Served exclusively by the WJMO staff is
The attached is a report of our Radio Section
be sent seven times weekly beginning

on American Shortwave broadcasts to the Middle
East from Casablanca to Burma.

A. Present Shortwave From America to Middle East.

1. Four times weekly in Turkish.

(Served exclusively by the Co-
ordinator of Information. These
programs to be sent seven times
weekly beginning on Monday,
December 22, 1941.)

2. Five times weekly in Persian, Armenian and
Classical Arabic.

(11 to 11:30 A.M. EST.).

3. Five times weekly in Turkish.

(11:30 to 11:45 A.M. EST.)

4. Five times weekly in Classical Arabic.

(11:45 to Noon EST.)

Station WGBO in Schenectady.

1. Four times weekly in Turkish.

Features (Serviced exclusively by the COI and to be sent seven times weekly beginning Monday, December 22, 1941.)

Station WRCA, New York.

1. Seven times weekly in Turkish.

(11:30 to 11:45 A.M. EST.)

Prepared for broadcast by COI. Daily program of five minutes in North African languages, mainly French. To be used by most SW stations covering this area. Scheduled to begin within a fortnight.

B. Present Facilities for Additional Broadcasts to the Middle East.

Prior to about one week ago no scheduled broadcasts were going to the Middle East. Our radio section is now ready to serve the area between the

West Coast of Africa and Burma, with news and features in Arabic, Berber, Turkish, Russian, English, French and Chinese. We have set up a Middle East desk in charge of specialists in the area covered. Cooperation of the State Department will be requested through consuls and diplomatic missions. It is expected that all arrangements will be completed within one to two weeks, including tests, time schedules, facilities, translations and background preparation

December 19, 1941
12 M.

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

In answer to the plea of General Magruder, we have sent through the State Department a message which embodies these essential points:

1. Arranging to obtain the services of F. M. Fisher from United Press, who will take over at Chungking immediately.
2. Made arrangements with R.C.A. for direct transmission of material to Chungking from San Francisco.
3. Arranging transmission of news reports to Chungking daily, between 5 and 6 P.M., and 1 and 2 A.M., EST.
4. Editing of news reports done by Walter Wilgus employed today by this office as Far Eastern editorial specialist. Wilgus has had much experience in the Orient and has been editor of leading Manila English language newspapers.

5. Our pictorial department arranging to send material to Chungking as rapidly as possible.

6. Problem of telephone communication between the United States and Chungking being taken up immediately.

December 19, 1941
12 M.

MEMORANDUM FOR THE PRESIDENT,

I have received a request from the War Department to examine, classify and assemble from the mass of material which is undoubtedly available in this country, a series of motion pictures of areas of potential military interest, depicting the topography, inhabitants and other pertinent data, in a form suitable for presentation to a military staff.

This would supplement the air photography we have been urging that upon both Services because we believe that, through visual presentation, the military personnel can better plan military operations.

We have already started a collection of this through the studios of the motion picture companies.

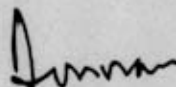
Furthermore, we have been making use of the pictorial presentation group under Commander John Ford to carry out the following:

- 1) Two camera groups in Iceland - photographic, still and charting.
- 2) Two camera groups in Panama.
- 3) Five camera groups with the Atlantic convoys, covering this first great convoy movement.

In addition we have in mind West Africa,
particularly

- a) Liberia and the terrain adjacent to Dakar
- b) Iran and the Persian Gulf - Karachi to Basra
- c) We hope to move a group to Port Darwin, Australia,
moving north to cover the surrounding islands.

This would supplement the air photography
and would meet the need of the Army to have close pictures
of highways, railroads and general topography.

A handwritten signature in dark ink, appearing to be 'Luman' or similar, located at the bottom right of the typed text.

THE WHITE HOUSE
WASHINGTON

December 19, 1941.

MEMORANDUM FOR THE PRESIDENT:

Dr. Hornbeck of the State Dept.
called in regard to the attached memo-
randum from Colonel Donovan. They are
anxious to take up the offer of the
University of California and wish to
have word from you as to whether you
approve.

G.

A large, stylized handwritten signature in black ink, appearing to be 'AK' followed by a long, sweeping flourish that ends in a vertical stroke.

COORDINATOR OF INFORMATION
WASHINGTON, D. C.

December 14, 1941

Memorandum for the President:

Dr. W. B. Pettus, President of the California College in China, has suggested that the work of that College be now undertaken at the University of California. I understand that the matter has been submitted to the Department of Commerce and that Department has indicated its willingness to handle the program in the interest of furthering our commercial relationships. I am also advised that the Secretary of State has recommended aid be given this College from the emergency fund, and that the same recommendation has been made by Dr. Lauchlin Currie.

The University of California has offered the College hospitality on the campus at Berkley. Private donors have pledged the sum of \$54,000 toward the program, and a total of \$90,000 is

required. It has been suggested that the balance of \$36,000 now needed be allocated from the emergency fund to the Department of Commerce to establish the College of Chinese studies at the University of California.

I understand that some of the functions of the College will be to provide instruction in Chinese for officers of our government, civil and military, which cannot now be obtained at any other institution or branch of the government. Members of my staff with personal knowledge of the College state that its work is essential for various types of training and instruction, and for special services which it will provide in connection with broadcasting to China.

I have been requested to submit the matter to your consideration.

file

COORDINATOR OF INFORMATION
WASHINGTON, D. C.

December 18, 1941.

Miss Grace Tully
The White House
Washington, D.C.

Dear Miss Tully:

At the 6 o'clock delivery on December 14, I sent a memorandum to the President on behalf of W. B. Pettus, President of the College of Chinese Studies in Peking, China.

Would you let me know what action has been taken on this?

Thanking you for your many courtesies,

Sincerely yours,

WJD
William J. Donovan

December 20, 1941

8:30 A.M.

assurance of these supplies. It is the
personal sentiment of every official of his government

MEMORANDUM TO THE PRESIDENT

here that Russia should join us in the Far East as soon

FROM: William J. Donovan

as possible. He stated that the war industries which

The following is information given to one of my
have been transported before the Axis would be formally
staff yesterday by Captain Ivan A. Yegorichev, Naval

Attache for Soviet Russia, and Commander Nicolai A.

Skriagin, Assistant Naval Attache:

"The Captain stated that on the basis of reports
received yesterday at the Embassy, they have complete

air control over all fronts, due partly to the moving

up of new Soviet air units and the withdrawal of serious

numbers of German planes. He stated that their most

serious deficiency is in tanks and that with 15,000

additional light and medium tanks they could underwrite

the defense of at least their present positions. It is

his personal opinion that the military command could not

afford to take any action in the Far East until they have

assurance of these supplies. He said that it is the
but what these people have to say may be of interest to
personal sentiment of every official of his government
you.
here that Russia should join us in the Far East as soon
as possible. He stated that the war industries which
have been transported beyond the Urals would be formally
opened with ceremony this coming Monday.

"He criticized with some bitterness and considerable
perplexity the fact that our government has allowed so
many enemy aliens to remain at large, and stated that in
his opinion our defense industries will receive the full
impact of skillful sabotage.

"Among Russians the Captain is recognized as an
authority on Japanese affairs, since he has spent
considerable time in Japan. He said that while he was
there he saw complete descriptions of virtually every
naval installation and important naval unit of the
United States."

I do not vouch for the accuracy of these statements

-3-

but what these people have to say may be of interest to
you.

December 20, 1941
8:30 A.M.

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

The following is a cablegram received from Percy Winner of our London office concerning a proposed propaganda move directed toward Italian sailors:

1. The head of the Italian sections of both P.W.E. and B.B.C., Colonel Stevens, requests our cooperation in connection with a speedy, intensive propaganda drive intended to induce Italian sailors to refuse to serve on ships carrying German reinforcements in Libya.
2. Pamphlet with this purpose will be produced by Stevens' organization and dropped by R.A.F. planes on Italian and Sicilian ports and coastal areas.
3. Stevens is negotiating to have American-built planes carry out the operations and to use this fact in the rest of the leaflets.

4. He asks whether it would be possible to get a group of Italians, resident in the United States, or a group of Italo-Americans to allow their names to be used as joint signers of the leaflets with groups of Italians in Britain.

3. General opinion at Dakar is that the

December 20, 1941

American Consulate there exists solely for the

MEMORANDUM FOR THE PRESIDENT

FROM: William J. Donovan

The following report has just come to us

regarding Dakar:

1. According to an American report regarded as reliable in Freetown, there is greatly increased and bitter anti-British feeling in Dakar consequent on the interception of antagonistic merchant ships which is regarded as taking food out of the mouths of relatives in France, and creating furore in Dakar. Not more than 10 or 20% of the Europeans there can be considered pro-British.

2. Anti-British feeling reported only slightly less bitter throughout Senegal and Guinea.

3. General opinion at Dakar is that the American Consulate there exists solely for the transmission of information to British authorities via Washington (though Wasson is personally popular). Every American in Dakar is suspect.

4. A French plane arrived from the Ivory Coast on November 30th, or December 1st, with two Germans and medicine, and taking six Germans with over 1,000 ounces of gold.

5. French morale throughout French West Africa gradually stiffening. Weygand's dismissal turning interest to antagonism towards Britain.

COORDINATOR OF INFORMATION
WASHINGTON, D. C.

December 20, 1941

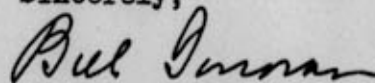
Miss Grace Tully
The White House
Washington, D. C.

Dear Miss Tully:

I am sending separately a memorandum for the President, which, if he agrees, I wish he would mark approved so we could take it up with the Budget.

Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bill Donovan".

William J. Donovan

December 20, 1941
12:00 Noon

MEMORANDUM FOR THE PRESIDENT:

FROM: William J. Donovan

I have today received the following cable
from Percy Winner, of our London office:

A person who normally should have access to
reliable information has informed me that all six
of Italy's battleships have been sighted convoying
troop ships carrying German reinforcements to
Libya and perhaps also to Bizerta. If this is true,
it is the first time Mussolini has been desperate
enough to risk openly exposing Italy's full battle-
ship strength to sea and air attack. Previously
he took the personal position, often against the
wishes of the Italian Admiralty, that no more than

two battleships should be risked at any one time
because loss of the heavy ships would make defense
of the long coast line practically impossible.

de Valera to consult with December 20, 1941
12:00 Noon

MEMORANDUM FOR THE PRESIDENT:

FROM: William J. Donovan

A young lawyer named Owen McGivern of New York came to see me yesterday. He is a member of Tammany and also an assemblyman. He is now applying for a commission as a reserve naval officer. He is a good active man politically and yet he has traveled a great deal abroad.

McGivern is very concerned about Ireland's position; says that there is a group of the younger men of Irish blood of the third and fourth generation, yet have contact with some of the group that aided de Valera. They wish to take advantage of that to try and prevail upon

de Valera to consult with us as to what might be done in any respect to aid England and ourselves in the war.

He therefore suggested that a group see de Valera and express the considered opinion of the friends of Ireland in this country.

I told him that while I could not speak for the Government, my opinion was that the Government would not want to take cognizance of anything they had; that they would have to do it on their own, but certainly I felt that the time might come for making Ireland feel the war the same as other countries, and perhaps it would be better that priorities on materials be given to other countries that were standing with us.

McGivern said that he was going to talk
with his young friends and see what they could
do about it.

SUMMARY OF INTELLIGENCE
ON
SOUTH AMERICA

December 20, 1941 12/41
6 P.M.

(A) BRAZIL

1. Signs of activities and meetings of known German agents.

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

I have obtained today the attached

Summary of Intelligence on South America.

2. Since night of December 15.
3. Air Minister and Army are strongly opposing the U. S. occupation of their new bases.
4. On December 17 the Italian Ambassador in Rio told Zebias, Secretary-General of the Ministry of Foreign Affairs, that Axis naval action would soon be centered in the South Atlantic, and that if Brazil remained neutral she would escape such damage.
5. German, Japanese and Italian fifth columns working now under unified German command. Liaison centers in Sao Paulo and Rio changed every 24 hours. Headquarters just outside Rio.
6. Action will probably be delayed until after Pan-American Conference. (December 18)

SUMMARY OF INTELLIGENCE
ON
SOUTH AMERICA

(Since 12/13/41)

(A) BRAZIL

1. Signs of activities and meetings of known German agents.
2. One report that several German air pilots are standing to for some job.
3. Germans are circulating dangerous rumors among junior army ranks that Brazilian army is to be officered by Americans.
4. Rio airport has been under military control since night of December 15.
5. Air Minister and Army are strongly opposing the U. S. occupation of their new bases.
6. On December 12 the Italian Ambassador in Rio told Nabuco, Secretary-General of the Ministry of Foreign Affairs, that Axis naval action would soon be centered in the South Atlantic, and that if Brazil remained neutral she would escape much damage.
7. German, Japanese and Italian fifth columns working now under unified German command. Liaison centers in Sao Paulo and Rio changed every 24 hours. Headquarters just outside Rio.
8. Action will probably be delayed until after Panama American Conference. (December 18)

(B) ARGENTINA

1. December 17, Vice President Castillo declared a state of siege. It is reported to us that this is being used to stifle public criticism, which was considerable, as 90% of the press and populace are anti-Nazi. a sea plane, base
2. Report dated December 18, 1941 that Axis are definitely concentrating on Argentina as possible rift in Pan-American Union.

2. The head of Transocean in Chile has received instructions December 18 to be prepared to handle direct U/T communications between Germany and other South American republics.

Chile is to be a concentration center for Germans who have to abandon other South American countries.

A Japanese base is suspected in the south to pick up such Germans and Japanese as arrive from other countries. (December 18)

(C) CHILE

1. Nazi activity on Southern Coast, already reported, has been fully confirmed. (December 17)

Further evidence:

- (a) On Traiguen Island
- (b) Indications of a sea plane, base
46'13" south 74' 37" east.
- (c) German survey parties are moving
further south.

2. The head of Transocean in Chile has received instructions December 15 to be prepared to handle direct W/T communications between Germany and other American republics.

Chile is to be a concentration center for Germans who have to abandon other South American countries.

A Japanese boat is expected in the south to pick up such Germans and Japanese as arrive from other countries. (December 18)

(D) PERU

1. Evidence that Germans are planning action, including the neutralization of 12 Englishmen, by the end of December.
2. The Peruvian government, for fear of criticism at home, has been underestimating the total number of Japanese settled in Peru, given for some years as 20,000. Most recent information indicates a figure of 50,000 which is reckoned as a conservative estimate.

(E) VENEZUELA

1. German Consul at Maracaibo, known to us as Gestapo agent, has burned his papers and has flown to Caracas.

(F) ECUADOR

1. Eleven Nazi leaders reported here. They have been training numbers of Equadoreans as storm troopers.

December 20, 1941
6 p.m.

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

Mr. Sumner Welles, on behalf of the State Department, requested me to set up a branch in my office which would study and report upon foreign politics as they unfold in the United States in connection with our foreign-nationality groups. Its tasks would be:

(1) To keep currently informed about foreign political personalities in the United States, such as Sforza, Otto of Hapsburg, Hodza of Czechoslovakia, Chautemps, and so on;

(2) To keep informed generally respecting foreign political activities among the nationality groups in the United States, their leaders and factions;

(3) To appraise this information and submit timely reports to the State Department and other policy-making branches.

I have made considerable progress in the direction desired, having placed the work in the hands of John Wiley and DeWitt C. Poole, both of whom have had long diplomatic experience. The work has been discussed with Archibald MacLeish, and he has given it his blessing. Precise estimates are now about to be submitted to the Bureau of the Budget and I should like therefore to ask if you approve.

OK
FDR

December 21, 1941
8:30 a.m.

MEMORANDUM TO THE PRESIDENT:

FROM: William J. Donovan

I think that Frank Knox has shown the attached to you. These papers were obtained from the Captain of a Spanish merchant ship. These secret orders are still in force. It is important that there be no indication that we have them.

I have suggested to Frank that any wallets obtained from any Spanish ships be not ripped open, but turned over to us. The orders are usually sewn inside these wallets.

There is a possibility of counteracting these secret instructions in the event of war. We are in touch with a basque leader, who has some 90 odd of these ships and, with the British, I think that we could work out something with him.

DECLASSIFIED

BY SP-6 J. E. G. OF CIA

007622

By DBL Date SEP 9 1974

To me, the significant things are:

- (1) That Spain, since April, has expected war;
- (2) That she designates Argentina as the preferable port.

If we can handle this with skill, we may be able to bag some ships.

SANITIZED DOCUMENT

MINISTRY OF MARINE

Transmissions

BOOK OF SECRET INSTRUCTIONS
TO CAPTAINS OF MER-
CHANT SHIPS.



SANITIZED DOCUMENT

3

SECRET INSTRUCTIONS FOR USE WITH THIS
BOOKLET

In the possibility that the Navy High Command must give you orders you must follow exactly the following instructions:

9) 1. The radio services of your ship must be kept in the very best condition not only in regard to personnel but also as far as material is concerned.

2. You must take personal care that the regular listening hours be kept with every efficiency and severity.

3. Orders must be given that the radio personnel gives every attention to the warning of the Spanish radio stations, civilian as well as war Marine, and that they be immediately advised upon receiving any, whatever may be the hours and circumstances.

9) ~~REGRADED UNCLASSIFIED~~

4. When you receive exactly the following warning:

"At 46°--15' Lat. N. and 29°--25' Long. W. a
group of mines was found in the ship's course"

you will proceed to open the document which is found
sewn and sealed at the end of this book of secret instruc-
tions cutting it exactly with scissors along the punctuated
line.

5. You will abstain to communicate and comment with
any person, outside of the Navy authorities, the contents
and existence of this document.

6. The book of secret instructions must be kept in
a perfectly safe place and in case of misplacement or
observing any abnormality in it immediate account of
this must be given to the Spanish Navy authorities or
consul of the first port which you visit if the consul
is Spanish. In the contrary case send the following

cable or urgent radio to the Ministry of Marine:

"Arrived (name of port). Awaiting Orders.
Captain."

7. If for any reason you are relieved of the ship's command the book of secret instructions must be delivered to the Spanish Marine authorities so that they, in their turn, can deliver it to the captain who will relieve you.

8. As soon as you arrive at any port you must present yourself, without delegating anybody else to the commander or assistant of the Marine of said port with the book of secret instructions so that proper note can be made by the corresponding commander or assistant of the Marine.

9. The text of warning may be changed frequently and a new text will be received in time.

10. In case these instructions should be changed

you will receive new instructions by the same procedure and of the same nature as these.

11. Once a captain of a ship is in possession of this book he alone is responsible for its preservation and safety.

12. The obvious loss or destruction of the book of instructions will immediately bring upon its possessor the perpetual disqualification for commanding ships without prejudice to the verdict pronounced by the War Council which will judge him for the crime of high treason.

Madrid, April 30, 1941

By order of the Admiral-in-Chief of Marine.

DECLASSIFIED

By Authority of CIA

007622

By ADL

Date SEP 10 1974



MINISTERIO DE MARINA

ESTADO MAYOR DE LA ARMADA

OPERACIONES

ASUNTO: Instrucciones secretas con arreglo a las cuales debe proceder inmediatamente que se reciba el avurnave de aviso.

TEXTO:

1) Con objeto de cerciorarse que el avurnave recibido procede del Estado Mayor de la Armada, deberá ordenar al personal radio que continúe a escucha sobre la onda y Estación que dió el avurnave de aviso.

2) Media hora después de haberse recibido el avurnave de aviso, deberá recibir exactamente este otro:

-Eviten navegar en zona 50 millas alrededor punto avurnave anterior- lo que le confirmará su autenticidad como procedente del Estado Mayor de la Armada.

3) Una vez cerciorado de este punto procederá inmediatamente a dirigirse al puerto nacional más próximo.

4) De no poder alcanzarlo antes de las **48 horas**, deberá dirigir su buque, según su situación geográfica y reserva de combustible, a puerto Noruego, pasando por el Norte de Irlanda, o de la América del Sur, con preferencia en este caso, Argentino.

De no poder realizar lo expuesto en el párrafo anterior por falta de autonomía, se dirigirá a puerto español aunque tarde más de **48 horas**.

5) Desde el momento en que reciba el avurnave de confirmación se abstendrá en absoluto de emitir ninguna señal radio-telegráfica, quedando desde ese momento en suspenso la orden de dar la situación al mediodía.

6) Del exacto cumplimiento de estas instrucciones será responsable con arreglo a las leyes de Guerra.

Madrid, 28 de Abril de 1941.

De orden de

El Almirante Jefe del Estado Mayor de la Armada.

El Segundo Jefe.



[Firma manuscrita]

MINISTRY OF MARINE

NAVAL HEADQUARTERS

OPERATIONS

SUBJECT: SECRET INSTRUCTIONS WHICH WILL ENABLE YOU TO RECEIVE IMMEDIATELY THE WARNING NOTICE.

TEXT:

(1) In order to make certain that the warning received emanates from Naval Headquarters, you will instruct the wireless operator to keep tuned in on the wave-length and station that gave out the warning.

(2) One half hour after receipt of the warning, you should receive exactly the following :

"Avoid navigating within a zone 50 miles from the position previously warned against.", which will confirm the authenticity of the message as having come from Naval Headquarters.

(3) As soon as you are reassured on this point you should proceed immediately to make for the nearest Spanish port.

(4) If you are unable to reach a Spanish port within 48 hours, you should immediately make for, depending on your position and your fuel reserves, either a Norwegian port, taking a course North of Ireland, or a South American port, preferably in this case, Argentine.

If you are unable to follow the instructions in the preceding paragraph for lack of means, you will proceed to the nearest Spanish port even though this will require more than 48 hours.

(5) From the time you receive the confirmation of the warning, you will refrain from sending any wireless signals, ignoring from that time the order to report your noonday position.

(6) You will be held responsible for the exact carrying out of these orders, in accordance with the laws of warfare.

MADRID, April 28, 1941.

By Order of

The Chief Admiral of Naval Headquarters

The Vice-Chief

(STAMP)

(RAPALLO J)

NOTE:

This photostat is an
enlargement of the original
(about six times).

~~REGRADED~~ UNCLASSIFIED

E. M. DE LA ARMADA

TRANSMISIONES

~~SECRET~~

**CUADERNO DE INSTRUCCIONES
SECRETAS A CAPITANES
DE
BUQUES MERCANTES**



SANITIZED DOCUMENT

Instrucciones Secretas para el uso de este cuaderno

Ante la posibilidad de que el Estado Mayor de la Armada tenga que darle órdenes, se servirá Vd. seguir exactamente las instrucciones siguientes:

1.º—Mantener en inmejorables condiciones de eficiencia los servicios de Radiotelegrafía de su buque, tanto en lo que se refiere al personal, como al material.

2.º—Cuidará personalmente de que las horas de escucha reglamentarias se efectúen con toda eficiencia y seriedad.

3.º—Se ordenará, que por el personal de la Radio se preste la mayor atención a los avurnaves de las estaciones de R. T. españolas, tanto civiles como de la Marina de Guerra, y que se le avise inmediatamente de recibir alguno, **cualquiera que sean las horas y circunstancias.**

4.º—Cuando Vd. reciba exactamente el siguiente avurnave: **"En 46° - 15' Lat. N. y 29° - 25' Long. W. fué avisado grupo de minas a la deriva,"** procederá a abrir el documento que se encuentra cosido y lacrado al final de este Cuaderno de Instrucciones Secretas, cortándolo, precisamente con unas tijeras, por la raya punteada.

5.º—Se abstendrá de participar ni comentar con persona alguna, distinta de las autoridades de Marina, el contenido y la existencia del presente documento.

Esta reserva será llevada hasta el extremo de negar su existencia, alegando ignorancia, cuando sea interrogado por cual-

Instrucciones Secretas para el uso de este cuaderno

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4.º—Cuando Vd. reciba exactamente el siguiente avurnave: **"En 46° - 15' Lat. N. y 29° - 25' Long. W. fué avistado grupo de minas a la deriva,"** procederá a abrir el documento que se encuentra cosido y lacrado al final de este Cuaderno de Instrucciones Secretas, cortándolo, precisamente con unas tijeras, por la raya punteada.

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Esta reserva será llevada hasta el extremo de negar su existencia, alegando ignorancia, cuando sea interrogado por cual-

quier persona, aunque ésta sean alto personal de la casa armadora o compañeros de profesión.

6.º El Cuaderno de Instrucciones Secretas deberá ser conservado en lugar perfectamente seguro y caso de que sufra extravío o se observe alguna anomalía en el deberá dar cuenta inmediatamente a la autoridad de Marina española o Consulado del primer puerto que visite, si el Consulado es español. En caso contrario enviará al E. M. de la Armada el siguiente cable o radio urgente: **Llegué (nombre del puerto) espero instrucciones. Capitán.**

7.º Cuando por cualquier circunstancias cese en el mando del buque, entregará el Cuaderno de Instrucciones Secretas a la autoridad de Marina española para que ésta a su vez lo entregue al Capitán que le releve.

8.º Tan pronto llegue a cualquier puerto deberá presentarse, **sin delegar para ello en nadie**, al Comandante o Ayudante de Marina de dicho puerto con el Cuaderno de Instrucciones Secretas para que le sea hecha la anotación correspondiente por el propio Comandante o Ayudante de Marina.

9.º El texto de la avurnave podrá cambiarse con frecuencia recibiendo oportunamente el nuevo texto.

10.º En caso de variación de estas Instrucciones recibirá las nuevas por el mismo procedimiento y con el mismo carácter que le son entregadas éstas.

11.º Una vez el Capitán del buque en posesión de este Cuaderno será el **único** responsable de su conservación y custodia.

12.º La pérdida, o deterioro manifiesto, del Cuaderno

de Instrucciones Secretas, traerá consigo automáticamente para su poseedor la inhabilitación perpetua para mando de buques, sin perjuicio del fallo que emita el Consejo de Guerra que lo juzgará por el delito de Alta Traición.

Madrid, 30 de abril de 1941.

De orden del Almirante Jefe del E. M. de la Armada.

Franco

L

December 21, 1941
12 noon

MEMORANDUM TO THE PRESIDENT: Objectives as developed

FROM: William J. Donovan Theory.

It seems to me that, in considering the Azores, there must also be considered the mainland of Africa, even though a thousand miles away. Accordingly, early in September I requested that our research group, together with our Army and Navy officers who were here, make an examination of North Africa. That study is prepared. It consists of 177 pages, and I do not wish to inflict it on you. However, the thesis is that the military and political advantages of occupying Northwest Africa seem to outweigh the probable and even maximum costs to Germany, and the study embodies the following:

1. The German Occupation of Northwest Africa --
Objectives and Costs.
2. Chronology of events and significant rumors
dealing with Western Mediterranean problems.

3. German "Eurafrican" Objectives as developed
in Geopolitical Theory.
4. The Problem of Vichy.
5. The German Political and Economic Problem in
Iberia.
6. Germany's Economic Stake in French North and
West Africa.
7. The Military Problems of a German Conquest of
Northwest Africa.

I am attaching the summary and conclusion. If these
would make you wish to look at the complete study, I will
send it to you.

SUMMARY AND CONCLUSION

I. OBJECTIVES.

The positive military advantages to Germany of occupying Northwest Africa are considerable: First, in connection with the Mediterranean campaign; second with respect to the South Atlantic counter-blockade; third, and less urgently, with respect to long run exploitation of areas bordering on the South Atlantic.

Equally, if not more important, would be the negative advantage of denying access to an important European flank and Mediterranean rear position.

Economically, the advantage of occupation are at best slight in the short run, problematical in the long run. The maximum increment to occupied Europe of Northwest African supplies cannot be regarded as a significant factor in the German decision. Occupation would

however, have the important negative advantage to Germany of preserving a considerable leak in the Allied blockade.

Politically, occupation would remove the last remaining important bargaining levers of France and Spain. There would be, for them, no real alternatives to full collaboration. Further, occupation might be the basis for a significant strengthening of the morale of Italy.

Negatively, occupation would serve to insulate the politically vulnerable peoples of Southern Europe from Allied influence.

II. COSTS.

Military advice is to the effect that an action by Germany against Northwest Africa would take the form of a pincer movement through Spain and Tripoli. It is most unlikely that the Germans will move through Spain without Spanish collaboration or acquiescence. The force mobilized by the Germans would be of a size capable of overcoming

full French resistance in Northwest Africa, whether or not that resistance is, in fact, expected. On these assumptions it is calculated that occupation would require roughly 9-14 divisions and sufficient planes to achieve air superiority. The transport, landing and subsequent supply of the required force, against the air and naval resistance available to the British and French in this theater would be a difficult but not insurmountable problem for Germany; this assumes Spanish collaboration or acquiescence and the maintenance of the existing supply facilities from Italian and Greek ports across the central Mediterranean.

The net political and economic costs of a campaign against Northwest Africa will vary considerably, depending upon the decision taken by Vichy with respect to collaboration. Other costs would include the loss of entrepot supplies through Spain, Portugal, and the Canaries; the probable necessity of economic and territorial compensation to

Spain and Spanish Morocco; the danger of exposing German troops to typhus; the burden of occupying French Morocco, Tunis and Algeria; and the cost of furnishing the goods not supplied by the country.

In addition, Germany must reckon with probable Allied occupation of Azores and Cape Verde Islands; probable strengthening effect on American morale and unity, caused by German bases at Casablanca and in Canaries.

III. FINAL CONCLUSION.

The military and political advantages of occupying Northwest Africa seem to outweigh the probable and even the maximum costs to Germany.

IV. TIMING.

Available evidence on the probable timing of a German move is not adequate for sure prediction. The best guess, however, seems to be that they are making preparations for

[Printed in FRUS, Conferences at Washington and Casablanca, 54-55]

that move. With that in mind, I have a guerrilla project I would like to submit.

December 21, 1941
12:00 Noon

MEMORANDUM FOR THE PRESIDENT

FROM: William J. Donovan

Frank Knox spoke to me:

1. As to the possibility of having someone negotiate with the natives in North Africa. I have Peschkoff, now in London, who is prepared to do this. (I think you remember him from the last war. He is the son of Gorky)

2. As to the possibility of developing a Fifth Column movement in the Azores. The same group that was prepared to work on the airline in the Azores also is prepared in this other operation. I will send you an extensive plan, either on the six o'clock delivery this afternoon or sometime tomorrow.

December 21, 1941
6 P.M.

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

I have received the following through reliable intermediaries from (1) Vicente Lombardo Toledano, President of the Confederation of Laborers of Latin America (2) Dionicio Encina, Secretary-General of the Communist Party of Mexico:

1. There is a strong possibility that the Japanese have hidden bases for small submarines and airplanes in Lower California. There are probably no more than 1,000 Japanese on the Peninsula, but enough to do considerable damage. The current immigration of the Sinarquistas, allegedly Axis stooges, accompanied by at least one known German agent, represents an added threat.

The Mexican armed forces are totally inadequate
a powerful anti-Axis front.

to patrol the Peninsula and its waters. However, a

4. The Confederation of Mexican Workers and
Mexican fishermen's cooperative union which has a
the Communist Party will cooperate with the United
concession to fish in the Gulf of California can be
States on condition that the American Government does
used to obtain information on Japanese activities in
not support any reactionary Catholic political action
the Gulf, and peasant unions can be used to obtain
or influence, directly or indirectly.

information about activities on the Peninsula itself.

Next paragraph four gives the ostensible
Their information would be most reliable.

2. The most important organized anti-Axis forces
in question would be more costly. Certainly the question
in Mexico are (1) the Confederation of Mexican Workers,

800,000 membership, and (2) the Communist Party, 5,000

to 10,000 membership, the latter, though small, has a
may already be based along the coast of Lower California,
highly developed information service.

3. Though traditional "anti-Yankee" feeling is
have your instructions with regard to enlisting the
widespread among the people, anti-Axis sentiment on the
services of the fishermen's cooperative union and
part of organized labor and peasant movements is far
peasant unions in an endeavor to ferret them out?
stronger. With the cooperation of labor and peasants,

We have just received a mass of highly confidential
a majority of the Mexican people could be organized into

material on Mexico which is being processed and will be

a powerful anti-Axis front. at the earliest possible moment.

4. The Confederation of Mexican Workers and the Communist Party will cooperate with the United States on condition that the American Government does not support any reactionary Catholic political action or influence, directly or indirectly.

Numbered paragraph four gives the ostensible price for cooperation. Undoubtedly the cooperation in question would be more costly. Certainly the question is one of the greatest delicacy.

In view of the fact that Japanese submarines may already be based along the coast of Lower California, the element of great urgency is present. May I, therefore, have your instructions with regard to enlisting the services of the fishermen's cooperative union and peasant unions in an endeavor to ferret them out?

We have just received a mass of highly confidential material on Mexico which is being processed and will be

made available to you at the earliest possible moment.

copy

December 21, 1941
6 P.M.

*W.J.D.
Take up with
Marshall & State
Dept. JDR*

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

Pursuing the subject I referred to in my memorandum on North Africa, and also emphasizing my answer to Frank Knox, who discussed the same subject:

I talked this afternoon with a man who has a Holy man whom he has befriended. My man was a friend of Lyautey and lived there for six years. His friend, the Holy man, is very close to the Sultan. He thinks that he would have a reasonable chance of inducing the Sultan to carry out the project we have in mind. He thinks money would not be required, but arms and equipment plus a promise of semi-autonomy.

Our agent is an Englishman, graduate of Sandhurst, excellent education and experience. Our only chance of getting him in, however, would be under an American passport.

On the operational side, I would have it handled by our S.O.S. here who will be returning from England where I have had him at the guerrilla school.

It would be necessary to get our supplies in there at once.

If you feel that you wish this to be taken up, please let me know as quickly as possible. I think we could work it jointly with the British.

December 21, 1941

6 P.M.

Copy

MEMORANDUM TO THE PRESIDENT

FROM: William J. Donovan

I told you on my No. 82 dated December 20, 1941, 12 M. delivery, that this young Tammany man came in to see me about Ireland. He reported to me today that they had discussed the matter with Martin Conboy. He thinks Martin Conboy would be prepared to act but was of the impression that he would like some suggestion from you.

Do you wish to make it directly, or do you wish me to do something about it, or have anything to do with it at all?

*Ask Martin Conboy?
FDR.*